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SENSITIVE

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E.O. 12958: N/A
TAGS: KOMC ETRD IS GM
SUBJECT: URGENT REQUEST TO EXPEDITE POTENTIAL UAV SALE TO
GERMANY - TAA 3773-08

¶1. (U) This is an action request, please see paragraph 5.

¶2. (SBU) In support of a potential \$150 million Foreign Military Sale (FMS) of U.S.-origin Unmanned Aerial Vehicles (UAV) to Germany, Embassy Berlin requests that PM/DDCT move as quickly as possible in gaining approval for Technical Assistance Agreement (TAA) 3773-08 by December 12. This urgent request is in support of a FMS case (designator GY-D-STZ) that the USAF is offering in a competitive tender to the German Armed Forces. The German Ministry of Defense (MOD) will decide next week on whether to purchase up to five reconnaissance UAVs from Israel or from the U.S. company General Atomics of San Diego, California. If the TAA is not approved by December 12, General Atomics will likely not have a shot at securing this contract. General Atomics submitted TAA application 3773-08 on November 28.

¶3. (SBU) Earlier this year, the German defense and armaments agency (BWB) requested bids from the Israeli Aerospace Industries Ltd. and General Atomics Aeronautical Systems for five medium altitude, long-endurance (MALE) unmanned reconnaissance aircraft to support operations in Afghanistan. At this time, there is support in the MOD (civilian) Armaments Directorate for an Israeli competitor's product, the Heron TP, but the German Air Force remains solidly behind General Atomics' MQ-9 Reaper (Predator B). (COMMENT: The German Luftwaffe has approached Office of Defense Cooperation (ODC) Germany to expedite the processing of the TAA because the relationship between General Atomics and its German partner, Diehl BGT Defense GmbH is currently limited in scope to a marketing effort; MoD procurement officials currently rate this aspect of the FMS offer as inferior to the Israeli offer. END COMMENT).

¶4. (SBU) Ruediger Wolf, German State Secretary (Under Secretary equivalent) for Armaments Acquisitions in MOD, needs TAA 3773-08 approved by December 12 in order to examine this proposal and then bring his recommendation before high-level MOD officials later next week. Charge d'Affaires John Koenig has already met with State Secretary Wolf twice to discuss this contract, most recently on November 19.

¶5. (SBU) Embassy believes that timely action on this TAA could make the difference in the sale and would appreciate DDCT's support to expedite the processing of TAA 3773-08. Koenig